



Assessment to Billing: Changes, Concepts, & Challenges

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1



Assessment to Billing: Changes, Concepts, & Challenges

- I. Changes
- II. Concepts
- III. Challenges
- IV. Questions

2



Assessment to Billing: Changes, Concepts, & Challenges

I. Changes

- Refresher of 2014 Legislative Changes:
 - Senate Enrolled Act (SEA) 420-2014: Change in Assessment Date for Tangible Property
 - SEA 420 changes the assessment date of real property to January 1 starting with the 2016-pay-2017 tax cycle. March 1 will remain the real property assessment date for the 2014-pay-2015 and 2015-pay-2016 tax cycles.
 - The assessment date for mobile homes moves to January 1 starting in 2017 (the pay-2017 cycle). January 15 remains the mobile home assessment date for the pay-2015 and pay-2016 tax cycles.

3



Assessment to Billing: Changes, Concepts, & Challenges

Tax Cycle	Real Property Assessment Date	Mobile Home Assessment Date	First Installment of Taxes Due	Second Installment of Taxes Due
2014-pay-2015	March 1, 2014	January 15, 2015	May 10, 2015	November 10, 2015
2015-pay-2016	March 1, 2015	January 15, 2016	May 10, 2016	November 10, 2016
2016-pay-2017	January 1, 2016	January 1, 2017	May 10, 2017	November 10, 2017
2017-pay-2018	January 1, 2017	January 1, 2018	May 10, 2018	November 10, 2018

4



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- Assessment Calendar (see [http://www.in.gov/dlgf/files/pdf/150102 - Wood Memo - 2015 Assessment Calendar.pdf](http://www.in.gov/dlgf/files/pdf/150102_-_Wood_Memo_-_2015_Assessment_Calendar.pdf)) highlights:
May 1: Although there is no statutory date for the submission of the county's ratio study as part of the annual adjustment process, in order to ensure on-time billing for 2015-pay-2016, it was strongly recommended the ratio study be submitted by this date.
May 1: The reassessment of the second group of parcels under the county's reassessment plan began. IC 6-1.1-4-4.2(c).

5



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- July 1:** Last day for the county assessor to deliver the real estate book (i.e., roll and balance 2015-pay-2016 gross assessed values) to the county auditor. IC 6-1.1-5-14.
- July 31:** The appraisal of one-third (1/3) of the parcels in the second reassessment group shall be completed as part of the county's cyclical reassessment plan. IC 6-1.1-4-21.4(a)(1).
- August 3:** Last day for county auditor to certify net assessed values to the fiscal officer of each political subdivision of the county and to the Department. IC 6-1.1-17-1.

6



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October 31: The appraisal of two-thirds (2/3) of the parcels in the second reassessment group shall be completed as part of the county's cyclical reassessment plan. IC 6-1.1-4-21.4(a)(2).

December 31: The appraisal of all of the parcels in the second reassessment group shall be completed as part of the county's cyclical reassessment plan. IC 6-1.1-4-21.4(a)(3).

7



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January 1, 2016: Real Property and Personal Property assessment date for taxes due and payable in 2017. (IC 6-1.1-2-1.5 amended by Section 3 of SEA 420-2014).

January 15, 2016: Mobile Home assessment date for taxes due in 2016. (IC 6-1.1-2-1.5).

February 1, 2016: The county assessor must forward sales disclosure form data to LSA and the Department. (IC 6-1.1-5.5-3, amended by Section 17 of SEA 420-2014).

8



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February 10, 2016: Pursuant to IC 6-1.1-4-22, amended by Section 13 of SEA 420-2014, Form 11's must be provided by the earlier of:

- 1) 90 days after the assessor completes the appraisal of a parcel or receives a report for a parcel from a professional appraiser or professional appraisal firm; or
- 2) either
 - A. April 10 for assessment year 2015; or,
 - B. February 10 starting in assessment year 2016.

Hence, for assessment year 2016, the Form 11 must be provided by February 10, 2016 or 90 days after the assessor appraises the parcel/receives an appraisal report, whichever is earlier.

9



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II. Concepts:

- Cyclical Reassessment
 - What is cyclical reassessment?
 - What is the timeline?
 - Per Senate Enrolled Act 19-2012, starting July 1, 2014, a “general reassessment” of property has been replaced with a “cyclical reassessment.” (That refers to the reassessment of 25% of the parcels in each year of the cycle.)

10



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The basic premise of a “cyclical reassessment” is to spread the reassessment activities, including the inspection and updating of all of the parcels and parcel characteristics, in an assessment jurisdiction, over a four (4) year period instead of a twenty (20) month period.

The reassessment plan must divide all parcels of real property in the county into four (4) different groups of parcels.

Each group of parcels must contain approximately twenty-five percent (25%) of the parcels within each class of real property in the county.

11



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- The following are the effective dates for the cyclical reassessment:
 - July 1, 2013: The county assessor must have submitted their cyclical reassessment plan to the Department.
 - March 1, 2014: The Department must have reviewed and approved the plan before this date.
 - July 1, 2014: The reassessment of the first 25% of the parcels within each property class within the county started.
 - January 1, 2015: The reassessment of the first 25% of the parcels must have been completed (per SEA 420 – 2014).

12



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- May 1, 2015: The reassessment of the second 25% of the parcels within each property class within the county started (per SEA 420 – 2014).
- January 1, 2016: The reassessment of the second 25% of the parcels must be completed.
- May 1, 2016: The reassessment of the third 25% of the parcels within each property class within the county starts.
- January 1, 2017: The reassessment of the third 25% of the parcels must be completed.

13



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- May 1, 2017: The reassessment of the fourth 25% of the parcels within each property class within the county starts.
- January 1, 2018: The reassessment of the fourth 25% of the parcels must be completed.
- May 1, 2018: The reassessment of the first 25% of the parcels within each property class within the county for the next four year cyclical reassessment starts.

14



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III. Challenges:

- Legislative Changes (2015):
- Notices to Taxing Units of Pending Appeals: Section 3 of HEA 1603 adds IC 6-1.1-15-19 to require the county assessor to send quarterly notices to the fiscal officer of each taxing unit (including redevelopment commissions) affected by a property tax appeal.
- This notice must include the following information:
 - 1) The date on which a Form 130 or Form 133 was filed.
 - 2) The name and address of the taxpayer who initiated the appeal.

15



Assessment to Billing: Changes, Concepts, & Challenges

- 3) The assessed value for the assessment date the year before the appeal, and the assessed value on the most recent assessment date.
 - 4) The status of the taxpayer's appeal. The notice may be provided in an electronic format.
- Township assessors must provide the county assessor with any information the county assessor requests that is necessary in order to provide the quarterly notices.
 - Section 3 of HEA 1603 is effective January 1, 2016.

16



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- Agreements to Stipulate Assessed Value by Independent Appraisal: SEA 423 made several amendments to the law regarding appeals before the county property tax assessment board of appeals (“PTABOA”).

A. Stipulation of Assessed Value

- Section 2 of SEA 423 introduces IC 6-1.1-15-2.5, effective July 1, 2015. This section allows a taxpayer and township assessor (if applicable) or county assessor (“assessor”) to enter into a written agreement to:

17



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- 1) forego a PTABOA hearing and directly appeal to the IBTR; or
- 2) stipulate to the assessed value of disputed property by way of an independent appraisal that the PTABOA will then use in its determination.

18



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- This agreement must be entered into by both parties (i.e., in writing and signed by both parties) within 120 days after the taxpayer's notice of review was filed. Note that this agreement will not prohibit a taxpayer and assessor from resolving issues regarding the assessed value or deductions in an informal conference under IC 6-1.1-15-1(i). When the agreement is made, the assessor must immediately forward the agreement to the PTABOA.

19



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B. Annual Reports of Appeal

Section 4 of SEA 423 introduces IC 6-1.1-28-12, which requires each PTABOA to submit a report to the Department, IBTR, and Legislative Services Agency ("LSA") before April 1 annually (the report to LSA must be in an electronic format under IC 5-14-6). This report documents the notices for review filed with the PTABOA for the preceding year. This statute applies beginning January 1, 2016.

*Note: The Department will be issuing the PTABOA report template in the near future.

20



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- The report must include the following information:
 - 1) The total number of notices for review filed with the PTABOA.
 - 2) The notices of review, either filed or pending during the year, that were resolved during the year by a preliminary informal meeting.
 - 3) The notices of review, either filed or pending during the year, in which a hearing was conducted during the year by the PTABOA.
 - 4) The number of written decisions issued during the year by the PTABOA.
 - 5) The number of notices for review pending with the PTABOA on December 31 of the reporting year.

21



Assessment to Billing: Changes, Concepts, & Challenges

- 6) The number of reviews resolved through a preliminary informal meeting that were resolved.
 - A. in favor of the taxpayer;
 - B. in favor of the assessor; or
 - C. resolved in some other manner.
 - 7) The number of reviews resolved through a written decision issued during the year by the PTABOA that were resolved.
 - A. in favor of the taxpayer;
 - B. in favor of the assessor; or
 - C. resolved in some other manner.
- The report may not include any confidential information.

22



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Other:

- IC 6-1.1-15-13
- Tax bill as notice
- Sec. 13. If notice of the action of a board or official is not otherwise given in accordance with the general assessment provisions of this article, the receipt by the taxpayer of the tax bill resulting from that action is the taxpayer's notice for the purpose of determining the taxpayer's right to obtain a review or initiate an appeal under this chapter. (Formerly: Acts 1975, P.L.47, SEC.1.)
- However, the fact that a tax bill serves as a notice of assessment when a Form 11 is not sent, does not relieve the assessing official of the obligation to send a notice of assessment.

23



Assessment to Billing: Changes, Concepts, & Challenges

IV. Questions?

24



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